

# Economic Impact Statement for the Bluegrass Alliance Region

Created at

Research sponsored by

**UNIVERSITY OF  
LOUISVILLE**

**COLLEGE OF BUSINESS**

March 12, 2013

contact: Paul Coomes (502.852.4841) or Barry Kornstein (502.852.4866), University of Louisville

paul.coomes@louisville.edu    bjkorn01@louisville.edu



Project Name: **Hummingbird Nano**

Major product or service: **Precision Molded Components**

Proposed Site: **Fayette County, KY**

**Fayette County**

Direct Impact	Estimated Annual Net New Impact
Jobs (full-time equivalents)	18
Average annual earnings per job (assumed)	\$44,345
Total payroll, excluding benefits	\$798,210
Average value of merchants inventory	\$0
Average value of goods in storage, public warehouses	\$0
New taxable real estate (buildings, improvements, enhanced land value)	\$35,000
New manufacturing machinery	\$300,000
New taxable tangible property (non-mfg equipment)	\$0
New motor vehicles	\$0
City/ County occupational tax revenues	\$17,960
City/ County property tax revenues	\$126
County Public School System occupational tax revenues	\$2,395
County Public School System property tax revenues	\$208
Kentucky State property tax revenues	\$268

### Local Economic Multipliers for this Project

Indirect Effects (intra-industry spending)		Induced Effects (household spending)	
Employment	1.50	Employment	1.32
Compensation	1.33	Compensation	1.16
<b>Total Effects (Indirect + Induced)</b>			
Employment	1.98		
Compensation	1.55		

### Indirect (Intra-Industry) Employment and Payroll Impacts

Jobs in 8 County Bluegrass Alliance Region			
		9	
Bourbon County, KY	0	Jessamine County, KY	0
Clark County, KY	0	Madison County, KY	1
Fayette County, KY	6	Scott County, KY	1
Franklin County, KY	0	Woodford County, KY	0
<b>Payroll in 8 County Bluegrass Alliance Region</b>			
		\$267,083	
Bourbon County, KY	\$4,799	Jessamine County, KY	\$9,649
Clark County, KY	\$10,258	Madison County, KY	\$11,502
Fayette County, KY	\$182,733	Scott County, KY	\$31,388
Franklin County, KY	\$9,033	Woodford County, KY	\$7,721

### Induced (Household) Employment and Payroll Impacts

Jobs in 8 County Bluegrass Alliance Region			
		9	
Bourbon County, KY	0	Jessamine County, KY	1
Clark County, KY	0	Madison County, KY	1
Fayette County, KY	6	Scott County, KY	0

Franklin County, KY

0

Woodford County, KY

0

<b>Payroll in 8 County Bluegrass Alliance Region</b>		<b>\$172,504</b>	
Bourbon County, KY	\$4,074	Jessamine County, KY	\$10,982
Clark County, KY	\$6,818	Madison County, KY	\$9,427
Fayette County, KY	\$124,671	Scott County, KY	\$7,264
Franklin County, KY	\$3,327	Woodford County, KY	\$5,940
<b>Total (Direct + Indirect + Induced) Employment and Payroll Impacts</b>			
<b>Jobs in 8 County Bluegrass Alliance Region</b>		<b>36</b>	
Bourbon County, KY	0	Jessamine County, KY	1
Clark County, KY	1	Madison County, KY	1
Fayette County, KY	30	Scott County, KY	1
Franklin County, KY	1	Woodford County, KY	1
<b>Payroll in 8 County Bluegrass Alliance Region</b>		<b>\$1,237,798</b>	
Bourbon County, KY	\$8,873	Jessamine County, KY	\$20,630
Clark County, KY	\$17,076	Madison County, KY	\$20,930
Fayette County, KY	\$1,105,614	Scott County, KY	\$38,652
Franklin County, KY	\$12,360	Woodford County, KY	\$13,661
<b>City/ County Occupational Tax Revenues</b>			
Bourbon County, KY	\$171	Jessamine County, KY	\$441
Clark County, KY	\$479	Madison County, KY	\$579
Fayette County, KY	\$24,876	Scott County, KY	\$652
Franklin County, KY	\$259	Woodford County, KY	\$321
<b>County Public School System Occupational Tax Revenues</b>			
Fayette County, KY	\$3,317	Scott County, KY	\$193
<b>Kentucky State Tax Revenues</b>			
Kentucky State Individual Income Tax Revenues		\$48,250	
Kentucky State Sales Tax Revenues		\$47,760	
<b>Summary of Tax Revenues</b>			
City/ County Governments		\$27,904	
County Public School Systems		\$3,718	
Kentucky State Government		\$96,278	

Additional tax revenues and other collections are likely, but are not as easy to measure. These include the County-wide net profits tax, the County-wide insurance premium tax, Kentucky corporate income and license taxes, Kentucky motor vehicle usage and gasoline taxes.

No attempt is made to estimate any public costs associated with the the proposed economic development.

Calculations assume property listed is "new". The average annual taxable value of tangible personal property is assumed to be 1/3 of the purchase price.

Estimated impacts do not take account of, and are not reduced by, any tax incentives for the direct or indirect jobs added.